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CENTRAL INTELLIGENCE AGENCY

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COUNTRY China

SUBJECT Communist Activities in Shanghai, Canton, and Hong Kong

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THIS IS UNEVALUATED INFORMATION

1. CHANG Liang-hsiu (張良修) head of the former Institute of Law and Commerce was sentenced at the third Session of People's Court at Nanfang University, Canton. He must pay the Government several hundred thousands of Hong Kong dollars which were under his care while he was head of the Institute. It was stated at the trial that the accountant and General Affairs Department personnel took part of the money and fled.
2. Various labor unions leaders who remained at their original posts after the takeover of Canton are summoned by the Communists for questioning at any time. The places for questioning are the Union Friendship Society on Wan Fu (萬福) Road and a foreign styled house in front of Hsiao Pei (小北) Police Station on Ts'ang Pien (倉邊) Road. Han Hsing (韓星), director of Noodle-peddlers' Union has been summoned for questioning many times. Each time he was threatened. He was required to write the history of his life. After the questionings were satisfactory he was told to join the designated unit and at the same time he must have guarantors. Other people are LIANG Jung (梁榮) of the Timber Sawing Labor Union; CHANG Hua Hsiung (張華雄) of the Dyeing and Weaving Labor Union; and CH'EN Te Hsien (陳德賢) of the Bristles Labor Union.
3. Non-Communists in various public utilities are being gradually dismissed. At first some were kept on the job and later sent for training at different places. The Communists saw to it that they did not have a steady position. Others were questioned and threatened. Conditions became such that there was no other way but to run away. If any appeared to be spontaneously supported by workers in the public utilities he received this treatment from the Communists.
4. The name of Motor Vehicle Drivers Union, Canton, has been changed into the Preparatory Committee of Omnibus Workers Union since the takeover by the Communists. People holding responsible positions, such as LIANG Mei-chih (梁美智), were formerly political workers of the East River Column. The practice of Motor Vehicle Drivers Union was that when a driver took the day

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off on Sunday an unemployed driver would take his place. In this way the drivers could have four days of rest a month and the unemployed could be helped. All this was managed by the Labor Union. Unemployed drivers got their turn to work by drawing lots. This system proved to be very satisfactory. Since the Communist labor leaders have taken over the Union, the Sunday wages of drivers have been doubled. The Sunday wages were not given to the drivers themselves, but are pocketed by the labor leaders.

5. The director of the Shanghai branch office of the China Merchants Steam Navigation Co. (CMSNC) is YU Mei (俞眉), who is concurrently vice Minister of Communications and also the director of the bureau of Shipping Administration of the Municipality of Shanghai. HUANG Mo-tsung (黄慕宗) is the chief of Shipping Section in the bureau of Shipping Administration.
6. The Military Control Commission of Shanghai recently set up a training center for seamen in the CMSNC. KANG Shen (康森) has been appointed the director of the training center. Lessons on Communist ideology, military tactics, and technical training were held for the purpose of training over 400 seamen-trainees. The training center is located in Chang Chow Hotel, Bubbling Well Road, Shanghai. The first session ended on 10 February. The second session will be held in Nanking.
7. TUNG Hao-ming (董鴻民) and YANG Tsai-kuang (楊再光) have been sent to Hong Kong by the Shanghai Military Control Commission. They have set up a library on the third floor of the CMSNC Building. The courses of the training class will include Chinese, geography, military and political science. Facilities for swimming, basket ball, ping pong, and chess-playing will be given to the trainees. They are also planning to set up training courses on all ships in Hong Kong, for the purpose of tightening up their control over the seamen.
8. A farewell party for labor union members going from Hong Kong to Shanghai as tourists was given on 24 March by the Branch Office of the CMSNC in Hong Kong. This tour was organized by members of the CMSNC who had gone over to the Communists. LO Ping-ch'iu (羅秉秋) is the man responsible. He and a few other members will make a visit to Shanghai and return to Hong Kong within a month.*
9. One of the two steamships of the Kwangsi Navigation Co., the KWEI SHAN (桂山) sailed from Hong Kong to Canton and has been requisitioned by the Communists. CH'EN K'o-jen (陳可任), manager of the Company, has also gone to Canton. Staff of the Company as well as seamen are not willing to be made use of and refuse to go.
10. KUNG TAH (公大), a ship belonging to Shanghai Kung Yeh Shipping Co., which normally carries a freight of 600 tons, is regularly sailing, mostly at night, between Shanghai, Hankow and Changsha. When at Shanghai, the ship docks at Tah Dah Wharf.
11. CHOU Pao-an (周保安), in charge of the Seamen's Union in Swatow, has remained in the city since the takeover. He is being guided in his activities by the seamen's union in Hong Kong. The local authorities prohibited all outside activities of the union. Now, CHOU has joined the Communists; and together with CHEN Sheng (陳生) of the Swatow Military Control Commission, he has been doing propaganda work among seamen. CH'EN Han-chiang (陳漢江) and CH'EN Yi-ch'un (陳一春) are his assistants.

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